

Mirati Therapeutics, Inc.  
Form DEF 14A  
April 17, 2014

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**Mirati Therapeutics, Inc.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(4) Date Filed:

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**MIRATI THERAPEUTICS, INC.**

**ANNUAL MEETING OF STOCKHOLDERS  
MAY 21, 2014**

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**NOTICE AND PROXY STATEMENT**

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON MAY 21, 2014**

To the Stockholders of Mirati Therapeutics, Inc.:

Notice is hereby given that the 2014 Annual Meeting of Stockholders (the "Annual Meeting") of Mirati Therapeutics, Inc., a Delaware corporation, will be held on Wednesday, May 21, 2014, beginning promptly at 9:00 a.m., Pacific Time. You are being asked to vote on the following matters:

1. To elect the nominees for director named in the accompanying proxy statement to serve for the ensuing year and until their successors are elected.
2. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2014.
3. To approve an increase of 900,000 shares in the aggregate number of shares of our common stock authorized for issuance under our 2013 Equity Incentive Plan.
4. To conduct any other business properly brought before the meeting.

Our Board of Directors recommends a vote "**FOR**" each of the proposals. The accompanying proxy statement contains additional information and should be carefully reviewed by stockholders.

The Annual Meeting will be a completely virtual meeting of stockholders. To participate, vote or submit questions during the Annual Meeting via live webcast, please visit [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014). **You will not be able to attend the Annual Meeting in person.**

Our Board of Directors has fixed the close of business on March 25, 2014, as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement thereof. We intend to mail these proxy materials on or about April 17, 2014 to all stockholders as of the record date.

Whether or not you expect to attend the Annual Meeting, please complete, date, sign and return the enclosed proxy, or vote over the telephone or the Internet as instructed in these materials, as promptly as possible in order to ensure your vote is counted at the Annual Meeting. Even if you have voted by proxy, you may still vote if you attend the Annual Meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the Annual Meeting, you must obtain a proxy issued in your name from that record holder.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to Be Held on May 21, 2014 at 9:00 a.m. Pacific Time via live webcast at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014).**

The proxy statement and annual report to stockholders are available at [www.materials.proxyvote.com/60468T](http://www.materials.proxyvote.com/60468T).

By Order of the Board of Directors,

Charles M. Baum, MD, PhD  
*President and Chief Executive Officer*

San Diego, California  
April 17, 2014

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## 2014 PROXY STATEMENT

### INTRODUCTION

The Board of Directors of Mirati Therapeutics, Inc., a Delaware corporation ("Mirati," the "Company," "we," "us" or "our"), has made these proxy materials available to you on the Internet and has delivered these proxy materials to you in connection with the solicitation of proxies for use at the 2014 Annual Meeting of Stockholders ("Annual Meeting"). The Annual Meeting will be a virtual meeting, conducted via live webcast on the Internet at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014) on Wednesday, May 21, 2014, at 9:00 a.m. (Pacific Time), or at any adjournment or postponement thereof, for the purposes stated herein.

### QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING

#### Why am I receiving these materials?

We have sent you these proxy materials because the Board of Directors (sometimes referred to as the "Board") of Mirati Therapeutics Inc. (sometimes referred to as "we," "us," the "Company" or "Mirati") is soliciting your proxy to vote at the 2014 Annual Meeting of Stockholders, including at any adjournments or postponements of the meeting. You are invited to attend the annual meeting to vote on the proposals described in this proxy statement. However, you do not need to attend the meeting to vote your shares. Instead, you may simply complete, sign and return the enclosed proxy card.

We intend to mail these proxy materials on or about April 17, 2014 to all stockholders of record.

#### Participating in the Annual Meeting

We will be hosting the Annual Meeting live via Internet webcast. You will not be able to attend the meeting in person. A summary of the information you need to attend the Annual Meeting online is provided below:

Any stockholder may listen to the Annual Meeting and participate live via webcast at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014). The webcast will begin at 9:00 a.m. Pacific Time on May 21, 2014.

Stockholders may vote and submit questions during the Annual Meeting via live webcast.

To enter the meeting, please have your 12-digit control number which is available on your proxy card. If you do not have your 12-digit control number, you will be able to listen to the meeting only. You will not be able to vote or submit questions during the meeting.

Instructions on how to connect to and participate in the Annual Meeting via the Internet, including how to demonstrate proof of stock ownership, are posted at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014).

#### Voting Rights and Outstanding Shares

Only stockholders of record as of the close of business on March 25, 2014, the record date, are entitled to notice of and to vote at the Annual Meeting. On the record date, 13,475,527 shares of our common stock were issued, outstanding and entitled to vote. Each share of our common stock that you own entitles you to one vote on all matters to be voted upon at the Annual Meeting. We will have a





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quorum to conduct the business of the Annual Meeting if the holders of a majority of the outstanding shares of our common stock entitled to vote are present themselves or by proxy. Abstentions and broker non-votes (i.e., shares of common stock held by a broker, bank or other nominee that are represented at the meeting, but that the broker, bank or other nominee is not empowered to vote on a particular proposal) will be counted in determining whether a quorum is present at the meeting.

**Can I attend the Annual Meeting?**

We will be hosting the Annual Meeting via live webcast on the Internet. **You will not be able to attend the Annual Meeting in person.** Any stockholder can listen to and participate in the Annual Meeting live via the Internet at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014). **The webcast will start at 9:00 a.m., Pacific Time, on May 21, 2014. Stockholders may vote and submit questions while connected to the Annual Meeting on the Internet.**

**What do I need in order to be able to participate in the Annual Meeting online?**

You will need the 12-digit control number included on your proxy card in order to be able to vote your shares or submit questions during the meeting. **Instructions on how to connect and participate in the Annual Meeting via the Internet, including how to demonstrate proof of stock ownership, are posted at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014). If you do not have your 12-digit control number, you will be able to listen to the meeting only you will not be able to vote or submit questions during the meeting.**

**Who can vote at the Annual Meeting?**

Only stockholders of record at the close of business on March 25, 2014, will be entitled to vote at the Annual Meeting. On the record date, there were 13,457,527 shares of our common stock outstanding and entitled to vote.

*Stockholder of Record: Shares Registered in Your Name*

If on March 25, 2014, your shares were registered directly in your name with our transfer agent, Computershare Trust Company, N.A., then you are a stockholder of record. As a stockholder of record, you may vote at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy over the telephone or on the Internet as instructed below to ensure your vote is counted.

*Beneficial Owner: Shares Registered in the Name of a Broker or Bank*

If on March 25, 2014, your shares were held, not in your name, but rather in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in "street name" and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares at the meeting unless you request and obtain a valid proxy from your broker or other agent.

**What am I voting on?**

There are three matters scheduled for a vote:

Election of the nominees for director named in the proxy statement;

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Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2014; and

The approval of an increase of 900,000 shares in the aggregate number of shares of our common stock authorized for issuance under our 2013 Equity Incentive Plan (the "2013 EIP").

**What if another matter is properly brought before the meeting?**

The Board of Directors knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the proxy to vote on those matters in accordance with their best judgment.

**How do I vote?**

For the election of directors, you may either vote "For" all nominees or you may "Withhold" your vote for any nominee you specify. For any other matter to be voted on, you may vote "For" or "Against" or you may abstain from voting. The procedures for voting are as follows:

*Stockholder of Record: Shares Registered in Your Name*

If you are a stockholder of record, you may vote at the Annual Meeting or vote by proxy using the enclosed proxy card. Alternatively, you may vote by proxy either by telephone or on the Internet. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote even if you have already voted by proxy.

To vote by telephone, dial toll-free 1-800-690-6903 using a touch-tone phone and follow the recorded instructions. You will be asked to provide the control number from the enclosed proxy card. Your telephone vote must be received by 11:59 p.m. Eastern Time on May 20, 2014 to be counted.

To vote on the Internet, go to [www.proxyvote.com](http://www.proxyvote.com) and follow the instructions to complete an electronic proxy card. You will be asked to provide the control number from the enclosed proxy card. Your Internet vote must be received by 11:59 p.m. Eastern Time on May 20, 2014 to be counted.

To vote using the proxy card, simply complete, sign, date and return the enclosed proxy card as promptly as possible in the envelope provided. If you return your signed proxy card to us before the Annual Meeting, we will vote your shares as you direct.

To vote during the Annual Meeting, follow the instructions posted at [www.virtualshareholdermeeting.com/MRTX2014](http://www.virtualshareholdermeeting.com/MRTX2014).

*Beneficial Owner: Shares Registered in the Name of Broker, Bank or Other Agent*

If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received a voting instruction form with these proxy materials from that organization rather than from us. Simply complete and mail the voting instruction form to ensure that your vote is counted. Alternatively, you may vote by telephone or over the Internet as instructed by your broker or bank. To vote at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy form.

Internet proxy voting may be provided to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers and telephone companies.



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**How many votes do I have?**

On each matter to be voted upon, you have one vote for each share of common stock you own as of March 25, 2014.

**What if I return a proxy card or otherwise vote but do not make specific choices?**

If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable, "For" Proposal 1, the election of all nominees for Director, "For" Proposal 2, to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014, and "For" Proposal 3 to approve an increase of 900,000 shares in the aggregate number of shares of our common stock authorized for issuance under our 2013 EIP. If any other matter is properly presented at the meeting, your proxy holder (one of the individuals named on your proxy) will vote your shares using his or her best judgment.

**Who is paying for this proxy solicitation?**

The cost of soliciting proxies, including the preparation, assembly and mailing of the proxies and soliciting material, as well as the cost of forwarding such material to beneficial owners of our common stock, will be borne by us. Our Directors, officers and regular employees may, without compensation other than their regular remuneration, solicit proxies personally or by telephone.

**What does it mean if I receive more than one set of proxy materials?**

If you receive more than one set of proxy materials, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on each proxy card in the proxy materials to ensure that all of your shares are voted.

**Can I change my vote after submitting my proxy?**

*Stockholder of Record: Shares Registered in Your Name*

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the record holder of your shares, you may revoke your proxy in any one of the following ways:

You may submit another properly completed proxy card with a later date.

You may grant a subsequent proxy by telephone or through the Internet.

You may send a timely written notice that you are revoking your proxy to our Secretary at 9360 Towne Centre Drive, Suite 200, San Diego, CA 92121. To be timely, a written notice revoking your proxy must be received by May 20, 2014.

You may vote during the Annual Meeting which will be hosted via the Internet.

Your most current proxy card or telephone or Internet proxy is the one that is counted.

*Beneficial Owner: Shares Registered in the Name of Broker or Bank*

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank with respect to changing your vote.

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**When are stockholder proposals and director nominations due for the 2015 Annual Meeting of Stockholders?**

To be considered for inclusion in next year's proxy materials, your proposal must be submitted in writing by December 18, 2014, to the attention of our Secretary at 9363 Towne Centre Drive, Suite 200, San Diego, California 92121. Nothing in this paragraph shall be deemed to require us to include in our proxy statement and proxy card for such meeting any stockholder proposal which does not meet the requirements of the SEC in effect at the time. Any such proposal will be subject to Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). If you wish to submit a proposal (including a director nomination) at the 2015 Annual Meeting of Stockholders that is not to be included in next year's proxy materials, your written request must be received by our Secretary between January 21, 2015 and February 20, 2015. You are also advised to review our Bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations.

**How are votes counted?**

Votes will be counted by the inspector of election appointed for the meeting, who will separately count "For" and "Withhold" and, with respect to any proposals other than the election of directors, "Against" votes, abstentions and broker non-votes. A "broker non-vote" occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions with respect to that proposal from the beneficial owner, despite voting on at least one other proposal for which it does have discretionary authority or for which it has received instructions. Abstentions will be counted towards the vote total for each of proposals 2 and 3, and will have the same effect as "Against" votes. Broker non-votes have no effect and will not be counted towards the vote total for any proposal.

If your shares are held by your broker, bank or other agent as your nominee (that is, in "street name"), that nominee will provide you with a voting instruction form. Please follow the instructions included on that form regarding how to instruct your broker, bank or other agent to vote your shares. If you do not give instructions to your broker, bank or other agent, they can vote your shares with respect to "discretionary" items, but not with respect to "non-discretionary" items. Discretionary items are proposals considered routine under the rules of the New York Stock Exchange on which your broker, bank or other agent may vote shares held in street name in the absence of your voting instructions, and include the ratification of the selection of our independent registered public accounting firm. On non-discretionary items for which you do not give instructions to your broker, bank or other agent, which include the election of directors and the approval of the increase of 900,000 shares in the aggregate number of shares of our common stock authorized for issuance under our 2013 EIP, the shares will be treated as broker non-votes.

**What are "broker non-votes"?**

As discussed above, when a beneficial owner of shares held in "street name" does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed by the NYSE to be "non-routine," the broker or nominee cannot vote the shares. These un-voted shares are counted as "broker non-votes."

**How many votes are needed to approve each proposal?**

For the election of Directors, the five nominees named in this proxy statement receiving the most "For" votes from the holders of shares present at the Annual Meeting or represented by proxy and entitled to vote on the election of Directors will be elected. Only votes "For" or "Withheld" will affect the outcome.

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To be approved, the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ended December 31, 2014 must receive "For" votes from the holders of a majority of shares present at the Annual Meeting or represented by proxy and entitled to vote.

To be approved, the increase of 900,000 shares in the aggregate number of shares of our common stock authorized for issuance under our 2013 EIP must receive a "For" vote from the majority of shares present at the Annual Meeting or represented by proxy and entitled to vote.

**What is the quorum requirement?**

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding a majority of the outstanding shares entitled to vote are present at the meeting or represented by proxy. On the record date, there were 13,475,527 shares outstanding and entitled to vote. Thus, the holders of at least 6,737,764 shares must be present or represented by proxy at the meeting to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote at the meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, the holders of a majority of shares present at the meeting or represented by proxy may adjourn the meeting to another date.

**How can I find out the results of the voting at the Annual Meeting?**

Preliminary voting results will be announced at the Annual Meeting. In addition, final voting results will be published in a current report on Form 8-K that we expect to file within four business days after the Annual Meeting. If final voting results are not available to us in time to file a Form 8-K within four business days after the meeting, we intend to file a Form 8-K to publish preliminary results and, within four business days after the final results are known to us, file an additional Form 8-K to publish the final results.

**What proxy materials are available on the Internet?**

The proxy statement and annual report to stockholders are available at [materials.proxyvote.com/MRTX2014](http://materials.proxyvote.com/MRTX2014).

**PROPOSAL 1**

**ELECTION OF DIRECTORS**

Our Board of Directors currently consists of seven members, five of whom have been nominated for re-election as a director this year: Charles M. Baum, M.D., Ph.D.; Henry J. Fuchs, M.D.; Craig Johnson; Rodney W. Lappe, Ph.D.; and William R. Ringo. Martin Godbout, O.C., Ph.D. and Peter A. Thompson, M.D. will not be standing for reelection at the Annual Meeting. As a result, immediately following the Annual Meeting our Board will be composed of five directors and two seats will be vacant. Those seats will remain vacant until our Nominating and Corporate Governance Committee identifies a suitable candidate for each seat and such candidate is appointed or elected to the Board of Directors or until our Board of Directors reduces the size of the Board if each seat is not filled. Each nominee for director is to be elected at the Annual Meeting to serve until our 2015 Annual Meeting of Stockholders and until his successor is duly elected and qualified, or until his earlier death, resignation or removal. Each of the nominees is currently a director of Mirati.

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Directors are elected by a plurality of the votes present at the meeting or by proxy and entitled to vote at the meeting. The five nominees named in the proxy statement receiving the most "For" votes (among votes properly cast at the Annual Meeting or by proxy) will be elected. If no contrary indication is made, shares represented by executed or authenticated proxies will be voted "For" the election of the five nominees named above or, if any nominee becomes unavailable for election as a result of an unexpected occurrence, "For" the election of a substitute nominee designated by our Board of Directors. Each nominee has agreed to serve as a director if elected and we have no reason to believe that any nominee will be unable to serve.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH NOMINEE NAMED ABOVE.**

<b>Name</b>	<b>Age</b>	<b>Position</b>
Charles M. Baum, M.D., Ph.D.	56	President and Chief Executive Officer, Director
Henry J. Fuchs, M.D.(2)(3)	56	Director
Craig Johnson(1)(2)	52	Director
Rodney W. Lappe, Ph.D.(3)	59	Chairman of the Board
William R. Ringo	68	Director

- (1) Member of the Audit Committee
- (2) Member of the Compensation Committee
- (3) Member of the Nominating and Corporate Governance Committee

**Charles M. Baum, M.D., Ph.D.** has served as our President and Chief Executive Officer and member of our Board of Directors since November 2012. From June 2003 to September 2012, he was at Pfizer as Senior Vice President for Biotherapeutic Clinical Research within Pfizer's Worldwide Research & Development division and as Vice President and Head of Oncology Development and Chief Medical Officer for Pfizer's Biotherapeutics and Bioinnovation Center. From 2000 to 2003, he was responsible for the development of several oncology compounds at Schering-Plough Corporation (acquired by Merck). His career has included academic and hospital positions at Stanford University and Emory University, as well as positions of increasing responsibility within the pharmaceutical industry at SyStemix, Inc. (acquired by Novartis AG), G.D. Searle & Company (acquired by Pfizer), Schering-Plough Corporation (acquired by Merck) and Pfizer. Dr. Baum received his M.D. and Ph.D. (Immunology) degrees from Washington University School of Medicine in St. Louis, Missouri and completed his post-doctoral training at Stanford University.

Dr. Baum's experience in the pharmaceutical industry provides our Board of Directors with subject matter expertise. In addition, through his position as Chief Medical Officer for Pfizer's Biotherapeutics and Bioinnovation Center, Dr. Baum has acquired the operational expertise which we believe qualifies him to serve on our Board of Directors.

**Henry J. Fuchs, M.D.** has served as a member of our Board of Directors since February 2012. Since March 2009, Dr. Fuchs has served as the Executive Vice President and Chief Medical Officer of BioMarin Pharmaceutical Inc. From September 2005 to December 2008, Dr. Fuchs was Executive Vice President and Chief Medical Officer of Onyx Pharmaceuticals, Inc. From 1996 to 2005, Dr. Fuchs served in multiple roles of increasing responsibility at Ardea Biosciences, Inc., first as Vice President, Clinical Affairs, then as President and Chief Operating Officer, and finally as Chief Executive Officer. From 1987 to 1996, Dr. Fuchs held various positions at Genentech Inc. Dr. Fuchs serves on the Board of Directors of Genomics Health, Inc. and was on the Board of Directors of Ardea Biosciences, Inc. from 1996 until its acquisition by AstraZenaca PLC in 2012. Dr. Fuchs received a B.A. in Biochemical Sciences from Harvard University, and an M.D. from George Washington University.

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We believe that Dr. Fuchs' experience as an executive and his breadth of knowledge and valuable understanding of the pharmaceutical industry qualify him to serve on our Board of Directors.

**Craig Johnson** has served as a member of our Board of Directors since September 2013. Mr. Johnson serves on the boards of directors for several life science companies. He is currently a director for Heron Therapeutics, Inc., a NASDAQ-listed specialty pharmaceutical company; Adamis Pharmaceuticals Corporation, a NASDAQ-listed biopharmaceutical company; and La Jolla Pharmaceutical Company, a NASDAQ-listed biopharmaceutical company. Mr. Johnson also served as a past director of Ardea Biosciences, Inc., a NASDAQ-listed biotechnology company, from 2008 until its sale to AstraZeneca PLC in 2012. In addition to his board service, Mr. Johnson has served as an advisor to Daisas Medical, LLC since 2012. From 2011 to 2012 he was Chief Financial Officer of PURE Bioscience, Inc., and from 2010 to 2011 he was Senior Vice President and Chief Financial Officer of NovaDel Pharma Inc. Mr. Johnson served as Vice President and Chief Financial Officer of TorreyPines Therapeutics, Inc. from 2004 until its sale to Raptor Pharmaceuticals Corp. in 2009, and then as Vice President of a wholly-owned subsidiary of Raptor Pharmaceutical Corp. from 2009 to 2010. He held several positions, including Chief Financial Officer and Senior Vice President of Operations, at MitoKor, Inc. from 1994 to 2004. Prior to 1994, Mr. Johnson held senior financial positions with several early-stage technology companies, and also practiced as a Certified Public Accountant with Price Waterhouse. Mr. Johnson received his B.B.A. in accounting from the University of Michigan-Dearborn.

We believe Mr. Johnson's leadership and experience and skills in accounting and finance qualify him to serve on our Board of Directors.

**Rodney Lappe, Ph.D.** has served as a member of our Board of Directors since June 2012, and as Chairman of the Board since July 2013. Since January 2012, Dr. Lappe has served as the Senior Vice President of Tavistock Life Sciences, a private investment firm. From January 2004 to December 2011, Dr. Lappe was Group Senior Vice President, Pfizer Worldwide Research and Development and Chief Scientific Officer for CovX in San Diego, California. Dr. Lappe joined Pfizer with the CovX acquisition in 2008. From 2000 to 2002, Dr. Lappe served as Vice President for cardiovascular and metabolic diseases at Pharmacia. He was also site leader for Pharmacia in St. Louis. Prior to joining Pharmacia, he held positions of increasing responsibility with Wyeth, Rorer Central Research, CIBA Geigy and Searle Pharmaceuticals. Dr. Lappe received his B.A. from Blackburn College and his Ph.D. in Pharmacology from Indiana University.

We believe Dr. Lappe's extensive experience managing pharmaceutical and biotech companies bring important strategic insight and qualifies him to serve on our Board of Directors.

**William (Bill) R. Ringo** has served on our Board of Directors since March 2014. Since July 2010 he has been a senior advisor with Barclays Capital, the global investment banking division of Barclays Bank PLC. Since July 2010, Mr. Ringo has also served as a strategic advisor with Sofinnova Ventures, a life sciences-focused investment firm. Prior to his advisory roles with Barclays Capital and Sofinnova Ventures, Mr. Ringo served as senior Vice President of Strategy and Business Development for Pfizer Inc., a biopharmaceutical company, from April 2008 until his retirement in April 2010. From 2004 to 2006, Mr. Ringo served as President and Chief Executive Officer of Abgenix, Inc., a private biotechnology company. Mr. Ringo served on the Onyx Pharmaceuticals, Inc. board of directors from February 2011 until October 2013. From 2001 to 2007, he served on various boards of directors, including Encysive Pharmaceuticals, Inc., Inspire Pharmaceuticals, Inc. and InterMune, Inc. where he was the non-executive chairman of the board of directors after serving as interim Chief Executive Officer from June to September 2003. From 1994 to 2002, he served as a director and chairman of the board for Community Health Systems, Inc. His experience in the global pharmaceutical sector also includes nearly 30 years with Eli Lilly and Company. Over the course of his career with Lilly, Mr. Ringo served in numerous executive roles, including Product Group President for oncology and critical care, President of internal medicine products, President of the infectious diseases business unit,



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and Vice President of sales and marketing for U.S. pharmaceuticals. He also was a member of Lilly's operating committee. Mr. Ringo is a director and chairman of the board of Sangamo BioSciences, Inc., Immune Design, and is an advisor to Ascendis Pharma A/S. He also serves on the board of directors of BioCrossroads, an Indiana initiative and public-private collaboration that focuses on growing, advancing, and investing in the life sciences. Mr. Ringo received his B.S. in business administration and his M.B.A. from the University of Dayton.

We believe that Mr. Ringo's extensive experience in executive and board roles in the pharmaceutical industry qualify him to serve on our Board of Directors.

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE IN FAVOR OF EACH NAMED NOMINEE**

**INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

***Board Composition and Independence***

Our business and affairs are organized under the direction of our Board of Directors, which currently consists of seven members. The primary responsibilities of our Board of Directors are to provide oversight, strategic guidance, counseling and direction to our management. Our Board of Directors meets on a regular basis and additionally as required.

Our Board of Directors has determined that six of our seven directors, Martin Godbout, O.C., Ph.D., Henry J. Fuchs, M.D., Rodney W. Lappe, Ph.D., Craig Johnson, William R. Ringo and Peter Thompson, M.D., are independent directors, as defined by Rule 5605(a)(2) of the NASDAQ Listing Rules.

Each director serves until the next annual meeting of stockholders following such director's election to the Board of Directors and until his successor is duly elected and qualified. The authorized size of our Board of Directors is currently seven members. However, Martin Godbout, O.C., Ph.D. and Peter S. Thompson, M.D. will not be standing for reelection at this Annual Meeting. As a result, immediately following the Annual Meeting our Board will be composed of five directors and two seats will be vacant until our Nominating and Corporate Governance Committee identifies a suitable candidate for each seat and such candidate is appointed or elected to the Board of Directors or until our Board of Directors reduces the size of the Board if each seat is not filled. The authorized number of directors may be changed only by resolution of the Board of Directors. Our directors may be removed for cause by the affirmative vote of the holders of a majority of our voting stock.

***Stockholder Communications with the Board of Directors***

Our Board of Directors has adopted a formal process by which stockholders may communicate with the Board of Directors or any of its directors. Stockholders who wish to communicate with the Board of Directors may do so by sending written communications addressed to the Secretary of Mirati Therapeutics, Inc. at 9363 Towne Centre Drive, Suite 200, San Diego, CA 92121. Each communication must set forth: the name and address of our stockholder on whose behalf the communication is sent and the number of Company shares that are owned beneficially by such stockholder as of the date of the communication. Each communication will be reviewed by our Secretary to determine whether it is appropriate for presentation to the Board of Directors or such director. Communications determined by our Secretary to be appropriate for presentation to the Board of Directors or such director will be submitted to the Board of Directors or such director on a periodic basis.

***Code of Ethics***

We have adopted a Code of Business Conduct and Ethics that applies to all officers, directors and employees. The Code of Business Conduct and Ethics is available on our website at [www.mirati.com](http://www.mirati.com). If we

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make any substantive amendments to the Code of Business Conduct and Ethics or grants any waiver from a provision of the Code of Business Conduct and Ethics to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on our website.

***Board of Directors Leadership Structure***

The Board of Directors has a Chairman of the Board, Dr. Lappe, who has authority, among other things, to call and preside over Board of Directors meetings, to set meeting agendas, and to determine materials to be distributed to the Board of Directors. Accordingly, the Chairman has substantial ability to shape the work of the Board of Directors. In addition, we have a separate chair for each committee of the Board of Directors. The chairs of each committee are expected to report at least annually to the Board of Directors on the activities of their committee in fulfilling their responsibilities as detailed in their respective charters or specify any shortcomings should that be the case. We believe that separation of the positions of Chairman and Chief Executive Officer reinforces the independence of the Board of Directors in its oversight of our business and affairs. In addition, we believe that having a separate Chairman creates an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability and improving the ability of the Board of Directors to monitor whether management's actions are in our best interests and the best interests of our stockholders. As a result, we believe that having a separate Chairman can enhance the effectiveness of the Board of Directors as a whole.

***Role of the Board of Directors in Risk Oversight***

The Audit Committee of the Board of Directors is primarily responsible for overseeing our risk management processes on behalf of the Board of Directors. Going forward, we expect that the Audit Committee will receive reports from management at least quarterly regarding our assessment of risks. In addition, the Audit Committee reports regularly to the Board of Directors, which also considers our risk profile. The Audit Committee and the Board of Directors focus on the most significant risks we face and our general risk management strategies. While the Board of Directors oversees our risk management, management is responsible for day-to-day risk management processes. The Board of Directors expects management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities and to effectively implement risk management strategies adopted by the Audit Committee and the Board of Directors. We believe this division of responsibilities is the most effective approach for addressing the risks we face and that the Board of Directors leadership structure, which also emphasizes the independence of the Board of Directors in its oversight of its business and affairs, supports this approach.

**Meetings of the Board of Directors**

The Board of Directors held 16 meetings during 2013, which includes meetings for Methylgene, Inc. prior to the Arrangement agreement described under the heading "Change in Control". Each Board member attended 75% or more of the aggregate number of meetings of the Board of Directors and of the committees on which he served, held during the portion of the last fiscal year for which he was a director or committee member.

**Information Regarding Committees of the Board of Directors**

The Board of Directors has three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

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The following table provides membership and meeting information for fiscal year 2013 for each of the committees of the Board of Directors:

Name	Audit	Compensation	Nominating and Corporate Governance
Henry J. Fuchs, M.D.(1)		X	X
Martin Godbout, O.C., Ph.D.(2)	X	X*	
Craig Johnson(3)**	X*	X	
Rodney W. Lappe, Ph.D.			X
Margaret Mulligan(4)			
Peter Thompson, M.D.(5)	X		X*
<b>Total meetings in 2013</b>	<b>6</b>	<b>4</b>	<b>1</b>

\*  
Committee Chairperson

\*\*  
Financial Expert

(1)  
Dr. Fuchs served on the Audit Committee from July 2013 through August 2013. Dr. Fuchs was appointed to the Compensation Committee in November 2013.

(2)  
Dr. Godbout served as a member and as the Chair of the Nominating and Corporate Governance Committee through November 2013.

(3)  
Mr. Johnson has served as a Director and as Chair of the Audit Committee since August 2013 and as a member of the Compensation Committee since November 2013.

(4)  
Ms. Mulligan served as a Director, as Chair of the Audit Committee and as a member of the Compensation Committee through June 2013.

(5)  
Dr. Thompson served as a member of the Compensation Committee through November 2013 and as a member and Chair of the Nominating and Corporate Governance Committee since November 2013.

Each of the committees has authority to engage legal counsel or other experts or consultants, as it deems appropriate to carry out its responsibilities. The Board of Directors has determined that each member of each committee meets the applicable NASDAQ rules and regulations regarding "independence" and that each member is free of any relationship that would impair his individual exercise of independent judgment with regard to us.

Below is a description of each committee of the Board of Directors.

#### ***Audit Committee***

The Audit Committee of the Board of Directors was established by the Board in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to oversee our corporate accounting and financial reporting processes and audits of its financial statements. For this purpose, the Audit Committee performs several functions. The principal duties of the Audit Committee of the Board of Directors include assisting the Board of Directors in its oversight of:

the quality and integrity of our financial statements and reports;

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our accounting and financial reporting process, system of internal controls over financial reporting and audit process;

compliance with, and process for monitoring compliance with, legal and regulatory requirements;

the independent auditors' qualifications, independence and performance;

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our legal, regulatory and ethical compliance programs as established by management and the Board of Directors; and

pre-approval of all audit and non-audit services provided by the independent registered public accounting firm.

The current members of the Audit Committee are Mr. Johnson (chair), Dr. Godbout and Dr. Thompson. The Board expects to appoint two new directors as members of the Audit Committee prior to the Annual Meeting in anticipation of Dr. Godbout and Dr. Thompson not standing for reelection. The Audit Committee met six times during 2013. Our Board of Directors has determined that each member of the Audit Committee is an independent director under Rule 5605(c)(2)(A)(i) and (ii) of the NASDAQ listing standards and under Rule 10A-3 under the Exchange Act. Each member of our Audit Committee can read and understand fundamental financial statements in accordance with NASDAQ audit committee requirements. In arriving at this determination, the Board of Directors has examined each Audit Committee member's scope of experience and the nature of their employment in the corporate finance sector.

Our Board of Directors has determined that Mr. Johnson qualifies as an audit committee financial expert within the meaning of SEC regulations and meets the financial sophistication requirements of the NASDAQ Listing Rules. In making this determination, our Board of Directors has considered formal education and the nature and scope of experience each has previously had with public companies. Both our independent registered public accounting firm and management periodically meet privately with our Audit Committee.

The Audit Committee charter can be found on our website at [www.mirati.com](http://www.mirati.com) in the Corporate Governance section.

***Report of the Audit Committee of the Board of Directors***

*The material in this report is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.*

The Audit Committee has reviewed and discussed the audited consolidated financial statements for the fiscal year ended December 31, 2013 with management of the Company. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 16, "Communications with Audit Committees" issued by the Public Company Accounting Oversight Board ("PCAOB"). The Audit Committee has also received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence, and has discussed with the independent registered public accounting firm the accounting firm's independence. Based on the foregoing, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

**Audit Committee**

Craig Johnson, *Chair*

Martin Godbout

Peter Thompson

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*Compensation Committee*

The principal duties of the Compensation Committee of the Board of Directors include:

reviewing and approving our overall compensation strategy and policies;

reviewing and approving corporate performance goals, compensation and other terms of employment of our executive officers;

reviewing the compensation of our non-employee directors;

administering our stock option and purchase plans; and

reviewing, discussing with management and approving the annual report on executive compensation for purposes of disclosure to our stockholders.

In addition, the Compensation Committee reviews and approves overall compensation strategies and policies. In exercising these duties the Compensation Committee ensures that our compensation programs, particularly in connection with bonus targets, are aligned with the interests of our stockholders and other stakeholders. The named executive officers' bonus targets are based on corporate-based goals that strive to increase stockholder value.

The Compensation Committee regularly enlists the services of a third-party company to conduct an evaluation of current market practices to benchmark against our current practices. The last such review was undertaken by Barney & Barney LLC in January 2014.

The current members of the Compensation Committee are Dr. Godbout (chair), Dr. Fuchs and Mr. Johnson. The Board expects to appoint one new director as a member of the Compensation Committee prior to the Annual Meeting in anticipation Dr. Godbout not standing for reelection. Our Board of Directors has determined that all such members are independent under the NASDAQ Listing Rules, are "non-employee directors" as defined in Rule 16(b)-3 promulgated under the Exchange Act and are "outside directors" as that term is defined in Section 162(m) of the Code. The Compensation Committee met four times during 2013.

Typically, the Compensation Committee meets quarterly and with greater frequency if necessary. The agenda for each meeting is usually developed by the Chair of the Compensation Committee, in consultation with the Chief Executive Officer. The Compensation Committee meets regularly in executive session. However, from time to time, various members of management and other employees as well as outside advisors or consultants may be invited by the Compensation Committee to make presentations, to provide financial or other background information or advice or to otherwise participate in Compensation Committee meetings. The Chief Executive Officer may not participate in, or be present during, any deliberations or determinations of the Compensation Committee regarding his compensation or individual performance objectives. The charter of the Compensation Committee grants the Compensation Committee full access to all our books, records, facilities and personnel. In addition, under the charter, the Compensation Committee has the authority to obtain, at our expense, advice and assistance from internal and external legal, accounting or other advisors and other external resources that the Compensation Committee considers necessary or appropriate in the performance of its duties. The Compensation Committee has direct responsibility for the oversight of the work of any advisers engaged for the purpose of advising the Committee. In particular, the Compensation Committee has the sole authority to retain compensation consultants to assist in its evaluation of executive and director compensation, including the authority to approve the consultant's reasonable fees and other retention terms. Under the charter, the Compensation Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the compensation committee, other than in-house legal counsel and certain other types of advisers, only after taking into consideration six factors, prescribed by the SEC and NASDAQ, that bear upon the adviser's independence; however, there is no requirement that any adviser be independent.

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During the past fiscal year, after taking into consideration the six factors prescribed by the SEC and NASDAQ described above, the Compensation Committee engaged Barney and Barney LLC as compensation consultants. Barney and Barney LLC was selected based upon its reputation and experience as compensation consultants and in working with companies similar to Mirati. The Compensation Committee requested that Barney and Barney conduct an evaluation of current market practices to benchmark against our current practices

Under its charter, the Compensation Committee may form, and delegate authority to, subcommittees as appropriate. In March 2014, the Compensation Committee formed a New Hire Non-Officer Stock Option Subcommittee, currently composed of Charles M. Baum and Mark J. Gergen, to which it delegated authority to grant, without any further action required by the Compensation Committee, stock options to newly hired employees who are not our officers within pre-established guidelines.

Historically, the Compensation Committee has made most of the significant adjustments to annual compensation, determined bonus and equity awards and established new performance objectives at one or more meetings held during the first quarter of the year. Generally, the Compensation Committee's process comprises two related elements: the determination of compensation levels and the establishment of performance objectives for the current year. For executives other than the Chief Executive Officer, the Compensation Committee solicits and considers evaluations and recommendations submitted to the Committee by the Chief Executive Officer. In the case of the Chief Executive Officer, the evaluation of his performance is conducted by the Compensation Committee, which determines any adjustments to his compensation as well as awards to be granted. For all executives as part of its deliberations, the Compensation Committee may review and consider, as appropriate, materials such as financial reports and projections, operational data, tax and accounting information, tally sheets that set forth the total compensation that may become payable to executives in various hypothetical scenarios, executive and director stock ownership information, company stock performance data, analyses of historical executive compensation levels and current Company-wide compensation levels and recommendations of the Compensation Committee's compensation consultant, including analyses of executive compensation paid at other companies identified by the consultant.

The Compensation Committee charter can be found on our website at [www.mirati.com](http://www.mirati.com) in the Corporate Governance section.

***Nominating and Corporate Governance Committee***

The principal duties of the Nominating and Corporate Governance Committee of the Board of Directors are to develop and implement a set of corporate governance principles and policies, including a code of business conduct and ethics, assess the performance of the Board of Directors, its committees and the contributions of individual directors, and review and oversee management succession planning. As part of this process the Nominating and Corporate Governance Committee periodically reviews and assesses these policies and principles and their application and recommends to the Board of Directors any changes to such policies and principles. The principal duties of the Nominating and Corporate Governance Committee in connection with the nomination of directors are to evaluate the size of the Board of Directors; identify the skill sets currently available and skill sets that may be required; and recommend to the Board of Directors the director nominees to be put before the stockholders at our annual meeting.

The current members of the Nominating and Corporate Governance Committee are Dr. Thompson (chair), Dr. Fuchs and Dr. Lappe. The Board expects to appoint one new director to serve as a member of the Nominating and Corporate Governance Committee prior to the Annual Meeting in anticipation of Dr. Thompson not standing for reelection. Our Board of Directors has determined that all such members are independent under Rule 5605(a)(2) of the NASDAQ listing

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standards. The Nominating and Corporate Governance Committee met one time during 2013. The Nominating and Corporate Governance Committee charter can be found on our website at [www.mirati.com](http://www.mirati.com) in the Corporate Governance section.

The Nominating and Corporate Governance Committee believes that candidates for director, both individually and collectively, can and do provide the integrity, experience, judgment, commitment (including having sufficient time to devote to us and level of participation), skills, diversity and expertise appropriate for us. In assessing the directors, both individually and collectively, the Nominating and Corporate Governance Committee may consider our current needs and the needs of the Board of Directors and to maintain a balance of knowledge, experience and capability in various areas. However, the Nominating and Corporate Governance Committee retains the right to modify these qualifications from time to time. Candidates for director nominees are reviewed in the context of the current composition of the Board of Directors, our operating requirements and the long-term interests of stockholders. In conducting this assessment, the Nominating and Corporate Governance Committee typically considers diversity, age, skills and such other factors as it deems appropriate given our current needs and the needs of the Board of Directors, to maintain a balance of knowledge, experience and capability. In the case of incumbent directors whose terms of office are set to expire, the Nominating and Corporate Governance Committee reviews these directors' overall service to us during their terms, including the number of meetings attended, level of participation, quality of performance and any other relationships and transactions that might impair the directors' independence. In the case of new director candidates, the Nominating and Corporate Governance Committee also determines whether the nominee is independent for NASDAQ purposes, which determination is based upon applicable NASDAQ listing standards, applicable SEC rules and regulations and the advice of counsel, if necessary. The Nominating and Corporate Governance Committee then uses its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm. The Nominating and Corporate Governance Committee conducts any appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of the Board of Directors. The Nominating and Corporate Governance Committee meets to discuss and consider the candidates' qualifications and then selects a nominee for recommendation to the Board of Directors by majority vote.

The Nominating and Corporate Governance Committee will consider director candidates recommended by stockholders. The Nominating and Corporate Governance Committee does not intend to alter the manner in which it evaluates candidates, including the minimum criteria set forth above, based on whether or not the candidate was recommended by a stockholder. Stockholders who wish to recommend individuals for consideration by the Nominating and Corporate Governance Committee to become nominees for election to the Board of Directors may do so by delivering a written recommendation to the Nominating and Corporate Governance Committee at the following address: 9363 Towne Centre Drive, Suite 200, San Diego, CA 92121, Attn: Secretary, no later than the 90<sup>th</sup> day and no earlier than the 120<sup>th</sup> day prior to the one year anniversary of the preceding year's annual meeting. Submissions must include (1) the name and address of the stockholder on whose behalf the submission is made; (2) number of Company shares that are owned beneficially by such stockholder as of the date of the submission; (3) the full name of the proposed candidate; (4) description of the proposed candidate's business experience for at least the previous five years; (5) complete biographical information for the proposed candidate; (6) a description of the proposed candidate's qualifications as a director and (7) any other information required by our Bylaws. We may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as our independent director or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.



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**PROPOSAL 2**

**RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has selected the San Diego, California, United States office of Ernst & Young, LLP ("Ernst & Young U.S.") as our independent registered public accounting firm for the fiscal year ending December 31, 2014 and has further directed that management submit the selection of independent registered public accounting firm for ratification by the stockholders at the Annual Meeting.

The Montreal, Canada office of Ernst & Young LLP ("Ernst & Young Canada") previously audited our financial statements from 1996 through the fiscal year ending December 31, 2013. Ernst & Young Canada elected not to stand for re-election due to the relocation of our principal executive offices to San Diego, California. During our two most recent fiscal years ended December 31, 2013 and 2012, Ernst & Young U.S. was not consulted on any matters identified within Items 304(a)(2)(i) and (ii) of Regulation S-K. The reports of Ernst & Young Canada on the consolidated financial statements for our two most recent fiscal years ended December 31, 2013 and 2012, did not contain an adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles. In connection with its audits for the years ended December 31, 2013 and 2012, there were (1) no disagreements with Ernst & Young Canada on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Ernst & Young Canada would have caused them to make reference thereto in connection with its reports on the